

TALCOTT

February 6, 2009

To Members of the Finance Committee:

My name is Kevin North and I am the President of Talcott Corporation, an institutional real estate investment firm located at One Financial Plaza in Hartford, CT. Talcott currently employs nine professionals at our headquarters.

I am sure that each of you is well aware of the dire economic challenges we are facing. As our elected representatives, you are charged with guiding the public sector response to the fiscal challenges that lie ahead. Business as usual will no longer suffice and all of us will be compelled to think "outside the box" to minimize the long term consequences of these challenges. One fact is certain. Inventing and legislating new ways to raise revenue at a time of wrenching economic pain will only exacerbate the problems facing Connecticut businesses like Talcott and delay recovery.

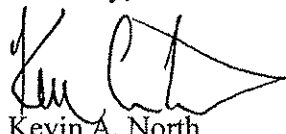
It has come to Talcott's attention that the bills listed below are slated to be considered by your committee in the coming legislative session.

- HB-6348 An Act Concerning Corporation Business Tax Credits
- HB-6349 An Act Concerning The Sales Tax On Services
- HB-6350 An Act Eliminating Exemptions From The Sales And Use Tax And Lowering The Rate Of Such Tax
- SB-807 An Act Concerning Combined Reporting for Purposes of the Corporation Business Tax
- SB-815 An Act Concerning A Moratorium On Business Tax Credits

Each of the proposals would have very adverse consequences for Talcott. Talcott would, inescapably, have to respond to enactment with a variety of tools at our disposal that could result in layoffs, reduced investment, or even relocation. Because Talcott competes for business with firms outside of Connecticut, it is possible that favorable action on these bills would put Talcott in an uncompetitive position with our out-of-state peers in attracting new business.

I urge you to reject these initiatives so that Talcott, and the many other fine firms that comprise Connecticut's employer base, can remain competitive and continue as an important contributor to the Connecticut economy. Thank you for your consideration of these important issues.

Sincerely,



Kevin A. North
President